

April 21, 2006

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VIA E-MAIL & HAND DELIVERY

The Honorable Public Utilities Commission of the State of Hawaii
Kekuannao`a Building, First Floor
465 South King St.
Honolulu, Hawaii 96813

Attn: Stacey Kawasaki Djou, Chief Legal Counsel

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PUBLIC UTILITIES
COMMISSION

Re: Docket No. 05-0002; Comments to April 13, 2006 Supplement to Recommendations to Modify Hawaii Revised Statutes Chapter 486H, Gasoline Price Cap Legislation, For the Ethanol Mandate submitted by ICF Consulting, LLC ("ICF")

Dear Public Utilities Commission:

Hawaii Petroleum Marketers Association ("HPMA") hereby provides its comments to ICF's supplement to the above-referenced report. Our apologies for any inconvenience arising from this letter not reaching you by the close of business April 19, 2006.

HPMA reiterates its support for ICF's original ethanol pool pricing approach as stated in HPMA's March 28, 2006 filing, subject to HPMA's objections therein, namely, the capital cost adjustments should be amortized over a 5 year period at a 12% interest rate, and the Zone 8 adjustment should be raised to the 4 to 5 cpg level. As for ICF's supplemental filing, HPMA echoes Tesoro Hawaii Corporation's position statement filed April 19, 2006, and believes it would be illogical to use a "virtual" or proxy pricing system to determine prices and costs for ethanol when actual costs incurred by the local industry are more relevant and accurate. Based on the aggregation method of the pooled price mechanism, confidentiality concerns should be negligible.

Very truly yours,



Marc E. Rousseau
for
CADES SCHUTTE
A Limited Liability Law Partnership

Cc: Hawaii Petroleum Marketers Association
Attn: Mr. Robert Fung (via e-mail)
Parties' Counsel (via mail and e-mail)